

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

700 North 10th Street, Room 258
Sacramento, CA 95814-0338
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October 6, 2006

Dear LIHEAP Service Providers:

Enclosed are the 2007 Percentage-Based Low-Income Home Energy Program (LIHEAP) Program Budget Proposal (proposal) and guidelines. The purpose of the proposal is to obtain your Energy Crisis Intervention Program (ECIP) and Home Energy Assistance Program (HEAP) funding levels by percent (%) to serve as a basis for the distribution of your 2007 LIHEAP allocation.

All proposals are due to the Department of Community Services and Development (CSD) by November 6, 2006. Once reviewed by your assigned Field Representative, CSD will provide a written notice of approval by November 20, 2006.

For your convenience, the electronic (formula-driven) Excel version of the 2007 Percentage-Based LIHEAP Program Budget Proposal, CSD form 612 (Rev. 10/06) will become accessible by October 6, 2006 through CSD's web site, www.csd.ca.gov under the "Contractors Only" section.

Should you have any questions regarding the proposal process, please contact your assigned Field Representative.

Sincerely,

ORIGINAL SIGNED AND FAXED TO LSPS ON OCTOBER 6, 2006

JAYSON WIMBLEY,
Program Manager
Energy and Environmental Services Division

Enclosures

Department of Community Services and Development
Low-Income Home Energy Assistance Program (LIHEAP)
2007 PERCENTAGE-BASED LIHEAP PROGRAM BUDGET PROPOSAL GUIDELINES

1. INTRODUCTION

The Percentage-Based Low-Income Home Energy Program (LIHEAP) Program Budget Proposal Guidelines (Proposal) is designed to facilitate the provision of crisis services to California's low-income population by the Department of Community Services and Development's (CSD) network of Local Service Providers (LSP's). These guidelines will assist you through this process.

2. STATE LAW

Government Code Section 16367.5 (e) provides that, "Based on data from prior years, a reasonable amount of available funds, as determined jointly by the department and the local service providers, shall be reserved until March 15th of each program year for the Energy Crisis Intervention Program. LSP's shall submit proposed funding levels with supporting data to the department in a timely manner for inclusion in the state plan. The department shall approve local funding requests that are determined to be in compliance with federal law."

3. PERCENTAGE-BASED LIHEAP PROGRAM BUDGET PROPOSAL PROCEDURE

The data gathered from the LSP's will be used to distribute LSP's 2007 LIHEAP allocation. CSD has developed the Proposal form; CSD 612 (Rev. 10/06), to assist LSP's in projecting, by percent (%), the funding distribution proposed for the 2007 LIHEAP Program. Percent (%) is utilized as the LIHEAP allocation is unknown for the upcoming fiscal year. Program percentages should be based on the LSP's total LIHEAP allocation, including Weatherization, Assurance 16, ECIP: Fast Track (FT), Wood, Propane, and Oil (WPO), Emergency Heating and Cooling Services (HCS), and HEAP: Electric and Gas, and WPO.

Weatherization is allocated at 25 percent (%), and Assurance 16 is allocated at up to 5 percent (%). ECIP Fast Track and/or WPO services are mandatory through March 15, 2007 for LSP's that utilize this energy source, and are optional for the balance of the contract year. Emergency HCS activities are optional on a year-round basis.

Any disputes to CSD's recommended Percentage-Based LIHEAP Program Budget Proposal will be addressed immediately and whenever possible, handled by telephone. Resolutions reached will be confirmed in writing. Unresolved Proposal issues must be appealed in writing to CSD and must be resolved by November 22th to allow CSD time to distribute the LIHEAP funds for 2007.

4. SUPPORTING DATA

All proposal supporting data must be actual contract data (program expenditures) obtained from prior LIHEAP contracts and must be separated by contract year. Attach reports and/or source documents with a summary sheet describing the relevancy of the data to the requested percentage.

Supporting data can consist of other statistical source data, which must include the year published and/or the time-period the data covers with a summary sheet indicating specific relevancy. If the documents are unusually large, include only relevant pages.

Supporting data can include statistics on:

- Waiting lists of eligible clients;
- Utility shut-offs;
- Delinquent utility bills;
- Space heating devices;
- Wood, propane, or oil households;
- Emergency heating and cooling unit repairs and/or replacements;
- Emergency medical-related services;
- Cost of fuels;
- Climatic conditions (particularly when climatic conditions exceeded normal heating and/or cooling degree days for an LSP's service area);
- Current U.S. Census data, relevant to the specific program component;
- Federal, State, county, city, or local data; and
- Private sources/vendor data

5. LEVERAGING PROCEDURE

Agencies that report leveraging resources and are eligible to receive leveraging funds must complete this section to indicate the percentages (%) to be allocated for each of the LIHEAP program components.

2007 PERCENTAGE-BASED LIHEAP PROGRAM BUDGET PROPOSAL GUIDELINES
CHECKLIST

- ❑ ECIP percentages have been identified. ECIP-Fast Track, WPO, and HCS
- ❑ Implementation periods were based on the realistic need of the service area.
- ❑ HEAP percentages have been identified. (The HEAP percentage is the balance remaining after all other program percentages were determined.)
- ❑ Up to a maximum of 5% for Assurance 16 was requested.
- ❑ Grand Total for all program components equal 100%.
- ❑ Supporting data is attached.
- ❑ Leveraging percentages have been identified, if applicable for qualifying agencies.
- ❑ Leveraging total equals 100% for qualifying agencies.
- ❑ The Percentage-Based LIHEAP Program Budget Proposal is signed and dated.
- ❑ The package is submitted to CSD by November 6, 2006.

KEY DATES:

Proposal submitted to CSD	November 6, 2006
CSD notice of approval.....	November 20, 2006
Resolution of Proposal disputes	November 22, 2006
2007 LIHEAP Contract Distributed.....	January, 2007